

Company Registration No. 02675805 (England and Wales)

B & T PLANT HIRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



Riordan O'Sullivan & Co
Chartered Certified Accountants and Statutory Auditors
40 Chamberlayne Road
London
NW10 3JE

B & T PLANT HIRE LIMITED

COMPANY INFORMATION

Directors	T F O'Brien T J O'Brien C D Southey (resigned 31 December 2019)
Company secretary	L P O'Brien Smith
Registered number	02675805
Registered office	O'Brien House 197-199 Garth Road Morden Surrey SM4 4NE
Independent auditors	Riordan O'Sullivan and Co Chartered Certified Accountants and Statutory Auditors 40 Chamberlayne Road London NW10 3JE
Bankers	Allied Irish Bank (GB)

B & T PLANT HIRE LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 7
Profit and Loss Account	8
Balance Sheet	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Analysis of Net Debt	12
Notes to the Financial Statements	13 - 22

B & T PLANT HIRE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their strategic report together with the financial statements of the company for the year ended 31st March 2020.

Principal activities

The principal activity of the company continued to be that of hire and sale of construction plant and equipment.

Financial key performance indicators

The key financial highlights of the company for the last four years are as follows:

		2020	2019	2018	2017
Turnover	£'000	22,961	22,389	20,953	17,840
Profit before tax	£'000	3,141	2,923	2,645	2,388
Profit margin	%	13.68	13.06	12.62	13.39
Balance sheet strength	£'000	20,855	18,455	16,371	14,631

Review of the business and future prospects

The company had another successful year achieving profits of £3.1 million on turnover of £22.9 million as against profits of £2.9 million from turnover of £22.4 million the previous year. Pricing remained challenging in the construction plant hire market and operating costs continue to rise. The company continued to make further significant investments in new and replacement plant so as to maintain the most up to date plant portfolio. The company balance sheet has strengthened further and the directors consider the results achieved to be satisfactory.

For the first time in the company's history, construction activity is significantly reduced due to Covid-19 lockdown. However, since the gradual easing of the restrictions the demand for plant hire is steadily increasing.

Profit margins in the current year remain demanding but continuing activity in London and the South East enables the directors to forecast another successful and profitable year.

Principal risks and uncertainties

The principal risks for our company is similar to most companies and industry sectors, namely the state of the economy and related global issues. We are dependent on the general economic environment and on the sectors of the construction plant hire industry in which we operate.

The construction industry continues to be stable in London and the South East which is our main area of operation albeit remaining very competitive. We have a high level of repeat business, we continue to win new business and to receive new enquiries. We have a strong balance sheet with agreed funding in place. Therefore, the directors are confident that sufficient profitability will be generated to maintain and enhance the company and which will enable us to continue to provide an excellent and reliable service to our customers.

Covid-19

While the uncertainties around Covid-19 continue to exist the directors remain fully informed and vigilant about risks of Covid-19, they are also optimistic that the company's strong and liquid balance sheet and its long standing and experienced team should see us through the business disruption caused by the pandemic.

B & T PLANT HIRE LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Financial instruments, credit and liquidity risk

The company finances its operations through a mixture of retained earnings, cash reserves, trade debtors less trade creditors, hire purchase and other creditors. The company does not have any complex financial instruments or hedging products.

The company's credit and liquidity risks are mainly attributable to the amounts receivable from its trade debtors and fellow subsidiaries. As the financial statements show, we maintain a strong balance sheet, with significant reserves, we have a good mix of long standing customers and a modern and efficient financial and management reporting system that monitors our day to day operational risk.

Going concern

The company has a strong balance sheet and a healthy order book from long standing customers. Therefore the directors are confident that the company can continue to trade successfully and continue to provide an excellent and reliable service to our customers for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Fixed assets

The movements in fixed assets are set out in note 11 to these financial statements.

Employment and health and safety

The on-going success of the company is attributable to the vast experience of our team of highly skilled, dedicated and competent directors, ably supported by a well-developed organisational structure including managers, site staff, and tradesmen and underpinned by a strong commercial team and head office support staff.

The directors, managers and our health and safety team continue to promote and embed an ethos where health, safety and wellbeing remains intrinsic to our business' thought process and work ethics.

The company's overriding principal is that all our workers go home in a safe and healthy condition, both physically and mentally at the end of every working day. Through pragmatic leadership and high levels of corporate governance we continue to provide resources such as on-going training programmes and proportionate levels of expenditure which are necessary to deliver this objective.

The Covid-19 pandemic has impacted greatly on our industry and will undoubtedly continue to shape and influence the foreseeable future. That said it has not deterred the business from retaining its positive health & safety culture which remains the cornerstone for maintaining our excellent safety performance, which continues to be at the top of our core values.

This report was approved by the board on 8 July 2020 and signed on its behalf.



T J O'Brien
Director

B & T PLANT HIRE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in the Directors' Reports may differ from legislation in other jurisdictions.

Results and dividends

The results for the year are set out on page 8.

The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were:

T F O'Brien

T J O'Brien

C D Southey (resigned 31 December 2019)

B & T PLANT HIRE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Strategic report

The company has chosen in accordance with Companies Act 2006, s414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future prospects, principal risks and uncertainties, financial instruments, going concern, employment and health and safety.

Disclosure of information to auditors


Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Riordan O'Sullivan & Co, Chartered Certified Accountants and Statutory Auditors are deemed to be reappointed as auditors.

This report was approved by the board on 8 July 2020 and signed on its behalf.



T J O'Brien
Director

B & T PLANT HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF B & T PLANT HIRE LIMITED

Opinion

We have audited the financial statements of B & T Plant Hire Limited (the 'company') for the year ended 31 March 2020, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are

B & T PLANT HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF B & T PLANT HIRE LIMITED (CONTINUED)

required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

B & T PLANT HIRE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF B & T PLANT HIRE LIMITED (CONTINUED)

Use of our report

This report is made solely to the company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members for our audit work, for this report, or for the opinions we have formed.



Patrick McNamara (Senior Statutory Auditor)

for and on behalf of

Riordan O'Sullivan and Co

Chartered Certified Accountants and Statutory Auditors

40 Chamberlayne Road

London

NW10 3JE

8 July 2020

B & T PLANT HIRE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover	4	22,961,405	22,389,498
Cost of sales		(18,400,447)	(17,897,548)
Gross profit		4,560,958	4,491,950
Administrative expenses		(1,273,090)	(1,443,115)
Other operating income		105,000	60,000
Operating profit		3,392,868	3,108,835
Interest receivable and similar income	8	1,944	1,988
Interest payable and similar expenses	9	(253,526)	(188,244)
Profit before tax		3,141,286	2,922,579
Taxation	10	(741,240)	(838,021)
Profit for the financial year		2,400,046	2,084,558

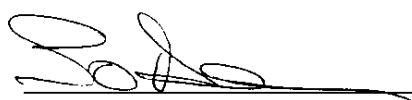
The profit and loss account has been prepared on the basis that all operations are continuing operations.

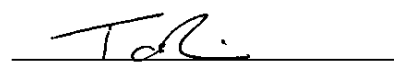
B & T PLANT HIRE LIMITED
REGISTERED NUMBER:02675805

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	22,928,375	21,711,546
		<u>22,928,375</u>	<u>21,711,546</u>
Current assets			
Stocks	12	75,000	75,000
Debtors: amounts falling due within one year	13	5,087,765	5,762,415
Cash at bank and in hand		2,633,102	2,674,408
		<u>7,795,867</u>	<u>8,511,823</u>
Creditors: amounts falling due within one year	14	(5,772,935)	(7,303,831)
Net current assets		<u>2,022,932</u>	<u>1,207,992</u>
Total assets less current liabilities		<u>24,951,307</u>	<u>22,919,538</u>
Creditors: amounts falling due after more than one year	15	(4,058,174)	(4,426,451)
Provisions for liabilities			
Deferred tax	17	(38,000)	(38,000)
		<u>(38,000)</u>	<u>(38,000)</u>
Net assets		<u>20,855,133</u>	<u>18,455,087</u>
Capital and reserves			
Called up share capital	18	100,000	100,000
Profit and loss account		20,755,133	18,355,087
		<u>20,855,133</u>	<u>18,455,087</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 July 2020.


T F O'Brien
Chairman


T J O'Brien
Director

B & T PLANT HIRE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2018	100,000	16,270,529	16,370,529
Profit for the year	-	2,084,558	2,084,558
At 1 April 2019	100,000	18,355,087	18,455,087
Profit for the year	-	2,400,046	2,400,046
At 31 March 2020	100,000	20,755,133	20,855,133

B & T PLANT HIRE LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	2020	2019
	£	£
Cash flows from operating activities		
Profit for the financial year after taxation	2,400,046	2,084,558
Adjustments for:		
Depreciation of tangible assets	8,923,852	8,691,292
Profit on disposal of tangible assets	(717,949)	(955,624)
Interest paid	253,526	188,244
Interest received	(1,944)	(1,988)
Taxation charge	741,240	838,021
Decrease/(increase) in stocks	-	(20,000)
Decrease in debtors	526,614	779,582
Decrease in creditors	(410,139)	(1,790,660)
Corporation tax paid	(764,010)	(1,057,629)
Net cash generated from operating activities	10,951,236	8,755,796
Cash flows from investing activities		
Purchase of tangible fixed assets	(5,100,791)	(4,324,158)
Sale of tangible fixed assets	1,992,876	1,825,147
Interest received	1,944	1,988
HP interest paid	(253,526)	(188,244)
Net cash from investing activities	(3,359,497)	(2,685,267)
Cash flows from financing activities		
Repayment of/new finance leases	(7,633,045)	(5,069,986)
Net cash used in financing activities	(7,633,045)	(5,069,986)
Net (decrease)/increase in cash and cash equivalents	(41,306)	1,000,543
Cash and cash equivalents at beginning of year	2,674,408	1,673,865
Cash and cash equivalents at the end of year	2,633,102	2,674,408
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,633,102	2,674,408
	2,633,102	2,674,408

B & T PLANT HIRE LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2020**

	At 1 April 2019 £	Cash flows £	New finance leases £	At 31 March 2020 £
Cash at bank and in hand	2,674,408	(41,306)	-	2,633,102
Finance leases	(9,214,476)	7,633,045	(6,314,815)	(7,896,246)
	<u>(6,540,068)</u>	<u>7,591,739</u>	<u>(6,314,815)</u>	<u>(5,263,144)</u>

B & T PLANT HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. General information

B&T Plant Hire Limited is a private company limited by shares incorporated in England and Wales. The registered office is O'Brien House, 197 - 199 Garth Road, Morden, Surrey, SM4 4NE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

Financial statements are prepared in sterling which is the functional currency of the company.

The following principal accounting policies have been applied:

2.2 Going concern

The directors are required to consider whether the company can continue in operational existence for the foreseeable future. The company's business activities and the factors which may affect its future development, financial position and principal risks and uncertainties are set out in the Strategic Report on pages 1 to 2. The directors are confident that the company has adequate resources to continue in operational existence and to manage its business risks successfully and to generate profit and positive cash flows for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

2.3 Foreign currencies

Transactions in foreign currencies are recorded using the prevailing exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated using the exchange rates at the balance sheet date. All differences are taken to the Profit and Loss account.

2.4 Turnover

Turnover represents external and internal plant hire and sales excluding Value Added Tax and turnover from plant hire is recognised on a straight line basis over the period of the rental contract.

2.5 Finance leases and hire purchase contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest rate method.

B & T PLANT HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid, the company has no further payment obligations.

The contributions are recognised as an expense in the profit or loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

B & T PLANT HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 4 to 6 years
Fixtures and fittings	- 4 years

Land is not depreciated. Freehold properties are maintained so as to ensure that their values do not diminish over time. The maintenance costs are charged to the profit and loss account in the year in which they are incurred. In the directors' opinion, depreciation would be immaterial and has not been charged.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss account.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value.

2.12 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

B & T PLANT HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.15 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2.16 Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the disclosure exemptions of FRS 102, Section 1 paragraph 1.12 (c) in respect of financial instruments as information is included in the consolidated financial statements.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements under FRS 102 requires management to make estimates and assumptions that affect amounts recognised for assets and liabilities at the balance sheet date and the amounts of revenue and expenses incurred during the year. Actual outcome may therefore differ from these estimates and assumptions. The estimates and assumptions that have the most significant impact on the carrying values of assets and liabilities of the company within the next financial year are detailed as follows:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors such as technological innovations, maintenance and projected disposal values.

4. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK and all of which are continuing.

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of owned tangible fixed assets	5,225,442	4,975,953
Depreciation of tangible fixed assets held under hire purchase contracts	3,698,410	3,715,339
Exchange differences	(58,055)	-
Profit on disposal of tangible fixed assets	(717,949)	(955,624)
Defined contribution pension costs	42,640	44,371
Fees payable to the company's auditors for the audit of the financial statements	10,000	10,000

B & T PLANT HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2020	2019
	£	£
Wages and salaries	1,556,931	1,708,471
Social security costs	184,453	192,369
Pension costs	42,640	44,371
	1,784,024	1,945,211

The average monthly number of employees, including the directors, during the year was as follows:

	2020	2019
	No.	No.
Directors	3	3
Administrative	15	15
Operative and support	18	19
	36	37

7. Directors' remuneration

	2020	2019
	£	£
Directors' emoluments	151,267	176,800
Pension costs	9,998	10,006
	161,265	186,806

During the year retirement benefits were accruing to 1 director (2019 - 1) in respect of defined contribution pension scheme.

8. Interest receivable

	2020	2019
	£	£
Other interest receivable	1,944	1,988

B & T PLANT HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Interest payable and similar expenses

	2020	2019
	£	£
Finance leases and hire purchase contracts	253,526	188,244

10. Taxation

	2020	2019
	£	£
Corporation tax		
Current tax on profits for the year	741,240	838,021

Factors affecting tax charge for the year

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020	2019
	£	£
Profit on ordinary activities before tax	3,141,286	2,922,579
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	596,844	555,290
Effects of:		
Expenses not deductible for tax purposes	4,925	6,848
Capital allowances for year in excess of depreciation	275,882	457,451
Profit on disposal of fixed assets	(136,411)	(181,568)
Total tax charge for the year	741,240	838,021

B & T PLANT HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 April 2019	3,348,116	45,340,015	229,798	48,917,929
Additions	-	11,415,608	-	11,415,608
Disposals	-	(7,405,812)	-	(7,405,812)
At 31 March 2020	<u>3,348,116</u>	<u>49,349,811</u>	<u>229,798</u>	<u>52,927,725</u>
Depreciation				
At 1 April 2019	-	27,069,141	137,242	27,206,383
Charge for the year	-	8,911,820	12,032	8,923,852
Disposals	-	(6,130,885)	-	(6,130,885)
At 31 March 2020	<u>-</u>	<u>29,850,076</u>	<u>149,274</u>	<u>29,999,350</u>
Net book value				
At 31 March 2020	<u>3,348,116</u>	<u>19,499,735</u>	<u>80,524</u>	<u>22,928,375</u>
At 31 March 2019	<u>3,348,116</u>	<u>18,270,874</u>	<u>92,556</u>	<u>21,711,546</u>

Included within the net book value of £22,928,375 is £10,921,821 (2019: £12,210,522) relating to assets held under hire purchase agreements.

12. Stocks

	2020 £	2019 £
Consumable materials	<u>75,000</u>	<u>75,000</u>

B & T PLANT HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. Debtors

	2020 £	2019 £
Trade debtors	719,344	305,553
Amounts owed by group undertakings	3,853,144	4,872,203
Other debtors	515,277	584,659
	<u>5,087,765</u>	<u>5,762,415</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

Other debtors include VAT recoverable of £515,277 (2019: £410,109).

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,622,198	1,970,156
Corporation tax	205,757	376,561
Obligations under hire purchase contracts	3,838,072	4,788,025
Accruals and deferred income	106,908	169,089
	<u>5,772,935</u>	<u>7,303,831</u>

15. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Net obligations under hire purchase contracts	<u>4,058,174</u>	<u>4,426,451</u>

The finance lease obligations are secured on the assets to which they relate.

16. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	3,838,072	4,788,025
Between 1-5 years	4,058,174	4,426,451
	<u>7,896,246</u>	<u>9,214,476</u>

B & T PLANT HIRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

17. Deferred taxation

	2020 £
At beginning of year	38,000
At end of year	38,000

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Deferred tax liabilities	38,000	38,000
	38,000	38,000

There were no deferred tax movements in the year.

The deferred tax liability set out above is in relation to revaluation of freehold properties.

18. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
99,500 Ordinary Shares shares of £1 each	99,500	99,500
500 'A' Ordinary shares shares of £1 each	500	500
	100,000	100,000

'A' Ordinary shares rank pari passu with ordinary shares.

19. Profit and loss reserves

	2020 £	2019 £
At the beginning of the year	18,355,087	16,270,529
Profit for the year	2,400,046	2,084,558
At the end of the year	20,755,133	18,355,087

Included in reserves is an amount of £162,000 relating to the revaluation surplus of freehold land that is not distributable until such time as the freehold land is sold.

B & T PLANT HIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20. Capital commitments

There were no capital commitments either authorised or contracted for at the balance sheet date (2019: £Nil).

21. Pension commitments

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £42,640 (2019: £44,371). Contributions totalling £Nil (2019: £Nil) were payable to the fund at the balance sheet date and are included in creditors.

22. Related party transactions

a) Group companies

The company has taken advantage of the exemptions available in accordance with Financial Reporting Standard 102, Section 3.1A, 'Related Party Disclosures' not to disclose transactions entered and outstanding balances between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

b) Key management personnel

The remuneration of key management personnel, who are also directors, is disclosed in note 7.

23. Post balance sheet events

Currently, the business activities are reduced due to Covid-19 and we do not know how long this slowdown will last or what damaging effect it will have. Therefore the directors are unable to estimate the financial effect of Covid-19 at this stage. But, the directors believe that the company's strong and liquid balance sheet and its long standing and experienced team should see us through the business disruption caused by this pandemic.

24. Controlling party

OHOB Holdings Limited owns 100% of OHOB Group Limited which in turn owns 100% of this company B & T Plant Hire Limited. The consolidated accounts of the group can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.